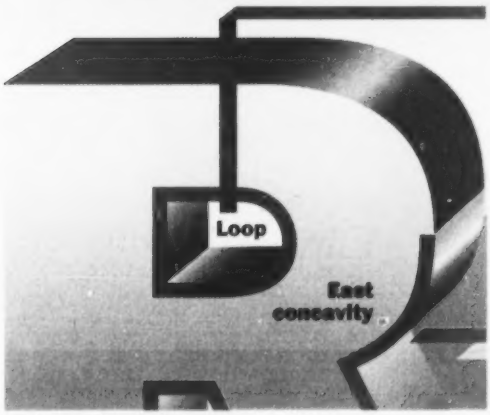
Forbes
DECEMBER 23, 1991 VOLUME 148 NUMBER 14



Let's see: Loop plus east concavity equals R.
150

A lowered credit rating, a spicy lawsuit, and lots of unanswered questions.
43

Now departing for Taiwan? Making a bold bid.
42

ON THE COVER

Computers/Communications: The Computer As Detective 150
By David Churbuck
Artificial intelligence, that stuff of science fiction, is on its way.

TV's Killer Businessmen 38
By Peter Brimelow
TV and the other mass media produce images of America that differ sharply from the American reality.

What To Do When Your CDs Come Due 185
By Matthew Winkler
If you want a return on your money, you're going to have to take some risk.

COMPANIES / INDUSTRIES

McDonnell Douglas 42
By Howard Banks
McDonnell Douglas may finally be able to develop the planes it needs, with Taiwanese help.

Kentucky Central Life Insurance 43
By John H. Taylor
A gold mine for its managers and directors, it may be more of a land mine for investors.

Dayton Hudson 48
By Subrata N. Chakravarty
The retailer's earnings are hurting right now, but Chairman Ken Macke is playing for the history books.

Up & Comers: Healthdyne, Inc. 64
By Christopher Palmeri
How a company's early success was almost its undoing.

Up & Comers: MediQual Systems 70
By Gretchen Morgenson
Giving consumers the cost information they need to make intelligent choices about health care.

Centel Corp. 80
By Gary Slutsker
A slimmed-down Centel has a messy balance sheet but some wonderful properties.

IBM 116
By Norm Alster
Don't be put off by all the turmoil at IBM. It remains a great business and is greatly underpriced.

Utilities 122
By James Cook
Should utilities be forced to open their transmission lines to independent power producers?

Mobile Homes 132
By Edward Giltenan
Oakwood Homes and Clayton Homes are doing well.

Housing 134
By Steve Kichen
Despite what you read in the media, the nation's entire housing stock is not engulfed by recession.

Xerox Corp. 136
By Kathleen K. Wiegner
Trying to make sure good ideas don't die or make someone else rich.

INTERNATIONAL

Preferred Fuel 40
By Andrew Tanzer
Asia is greedy for all the natural gas it can get.

GM Europe 54
By Jerry Flint
Coming up with a clever way to enter the growing European market for four-wheel-drive vehicles.

Out Of The Asylum 76
By Joel Millman
Having prospered under statism, Argentina's Rocca clan looks forward to competing in the real world.

Whooosh! 113
By Gale Eisenstodt
The air is rushing out of the Japanese real estate balloon.

The Road From Serfdom 126
By Peter Fuhrman
Like America's states, the old Soviet empire's republics are competing ferociously to attract capital.

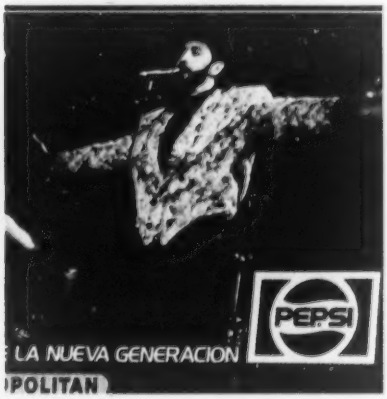
MONEY & INVESTING

Insurance: The Joys Of Blending 61
By Carolyn T. Geer
Consumers have found ways around state laws precluding insurance agents from rebating commissions.

Few retailers will benefit more from the end of the recession than this chief executive. 48

A European niche that every carmaker wants to be in—and GM is in. 54

The marketing myth fostered by multiculturalists and hucksters. 140



The Funds:
Two Ways To Beat The Market 178
By Suzanne Oliver
Twentieth Century Ultra Investors and United Income have polar opposite strategies—but each does well.

The Forbes Index 36
The Forbes/Barra Wall Street Review 175
Dividends Review 176

Streetwalker 188
Genetics Institute; Teledyne; conglomerates; thrift stocks.

LAW AND ISSUES

Just Smoke 41
By Leslie Spencer
If the Supreme Court decides against the tobacco industry, it could be a good time to buy the stocks.

Taxing Matters:
Nightmare 60
By Laura Saunders
A cynical budget compromise will yield a smidgen of revenue and a mountain of tax complexity.

On The Docket:
Speak No Evil 148
By James Lyons
Can you sue a lawyer who lets a client give misleading information? No, a U.S. Court of Appeals has ruled.

MARKETING

No Habla Español 140
By Christopher Palmeri and Joshua Levine
The myth of a vast, underreached Hispanic market is wearing thin. Also: Why Ford paints many of its muscle cars yellowish red.

COMPUTERS/COMMUNICATIONS

Survival Of The Fittest
By Richard A. Shaffer 158
Good bets in computer retailing stocks.

SCIENCE & TECHNOLOGY

Man Versus Nature
By Peter Huber 160
Nature is a lot more resilient than most people give her credit for.

PERSONAL AFFAIRS

Southern Comfort 162
By Lisa Gubernick
Off the coast of southern Georgia lies a private island retreat almost untouched by the 20th century.

Collectors:
Paying Up For Paul Revere 164
By Christie Brown
Early American silverware is still surprisingly affordable, still serviceable and still stunning.

Careers:
Poverty Pays 168
By Mary Beth Grover
Leonard Abramson will leave his kids a lot of money, but not a perverse pressure to succeed.

FACES BEHIND THE FIGURES

W. John Devine 170
Child World Inc.
Martin Redrado 170
Argentina National Securities Commission
Walter Joelson 172
General Electric
William Dunavant Jr. 172
Cotton broker

COLUMNISTS

Observations 52
Thomas Sowell
The Larger Context 130
Michael Novak
Capital Markets 181
Ben Weberman
Portfolio Strategy 182
Kenneth L. Fisher
Wall Street Irregular 183
Mark Hulbert
Market Trends 184
Frederick E. Rowe Jr.

DEPARTMENTS

Side Lines 8
Follow-Through 12
The Informer 16
Readers Say 20
Fact and Comment 23
Other Comments 28
Commentary 33
What's Ahead For Business 35
Flashbacks 191
Thoughts 192

Editorial index is on page 6
Cover illustration by Robert Mansfield

COMPANIES IN THIS ISSUE

Forbes

EACH REFERENCE IS TO THE FIRST PAGE OF THE STORY IN WHICH THE COMPANY NAME APPEARS.

A

Adler & Adler, 38
Air Europe, 42
Airbus Industrie, 42
Alcan Aluminium, 136
Alco Standard, 188
Alcoa, 70
Allegheny Power, 122
Alliance funds, 181
Allied-Signal, 188
American Electric Power, 122
American Home Products, 188
American Stores, 12
Amgen, 178
Ampersand Ventures, 136
AMR, 42
Amway, 20
Arthur Andersen, 61
Apple Computer, 117, 118, 150, 158
Aqua Buoy, 12
Arent Fox Kintner Plotkin & Kahn, 148
Argentina Fund, 23
Argonaut Group, 188
AT&T, 80, 122
Atlantic Richfield, 40
Audits & Surveys, 191
Avon Products, 140

B

B.A.T Industries, 48
Baldwin Technology, 182
Banco Santander, 16
Bankers Trust, 16
Bartlett Capital Fixed Income fund, 181
BHP, 40
BIS Strategic Decisions, 150
Boeing, 42, 172
Boston Company Economic Advisors, 35
Brazil Fund, 23
Bristol-Myers Squibb, 140
British Aerospace, 42
British Petroleum, 40
Businessland (JWP), 158

C

Caere, 150
Campbell Soup, 140
Capital Cities/ABC, 16
Caterpillar, 178
Cavalier Homes, 132
Centel, 80
Central Bank & Trust, 43
Champion Enterprises, 132
Chartered West, 16
Cheskin & Masten, 144
Chevron, 40
Child World, 170
Chiron, 178
Christie's International, 164
Chrysler, 54, 178, 191
Clayton Homes, 132
CNC Holding, 170
Coca-Cola, 16, 118, 140
Coldwell Banker Residential Group (Sears, Roebuck), 134
Colonial Income Trust, 181
Colorado Rockies, 134
Compaq Computer, 158
CompuCom Systems, 158
Computer Factory (CompuCom Systems), 158
ComputerLand, 158
Conoco (Du Pont), 40
Continental Health Affiliates, 64
Costco Wholesale, 178
Cray Research, 118
Critical Care America, 64
A.T. Cross, 136
CRSS, 182
CS First Boston, 41
Cullum, 12
Cunis & Nolan, 20

D

Daihatsu Kogyo, 54
Daikyo, 113
Daimler-Benz, 54
Dayton Hudson, 48
Deere, 70, 178
Dell Computer, 118, 158
Devonshire, 134
Disk/Trend, 118
Walt Disney, 118
Donaldson, Lufkin & Jenrette (Equitable Life Assurance), 188
Dow Jones, 150
Drake Beam Morin, 20
Drew Odd Lot Studies, 183
Dreyfus funds, 181
Du Pont, 144
Dunavant Enterprises, 172

E

EnTel, 170
Exxon, 40

F

Federal Home Loan Mortgage, 178
Federal National Mortgage Association, 132, 178
Fiat, 54
First Manhattan, 48
FirstFed Financial, 189
Fleetwood Enterprises, 132
FMC, 188
FMR, 183
Food Lion, 12
Ford Motor, 54, 144, 178
Franklin Electronic Publisher, 150
Franklin funds, 181

G

GE, 172
General Motors, 16, 54, 118 132, 140, 178
Genetics Institute, 188
Genzyme, 178
Golden West Financial, 189
Goldman, Sachs, 189
Granada BioSciences, 14
Granada Foods, 14
Grant Thornton, 60
Great Western Financial, 134
Guardian Life Insurance, 61, 64

H

Hallmark, 136
Haseko, 113
Healthdyne, 64
Hershey Foods, 70
Hewlett-Packard, 178
Hispanic Business, 140
Home Nutritional Services, 64
Household International, 178
Hyundai, 118

I

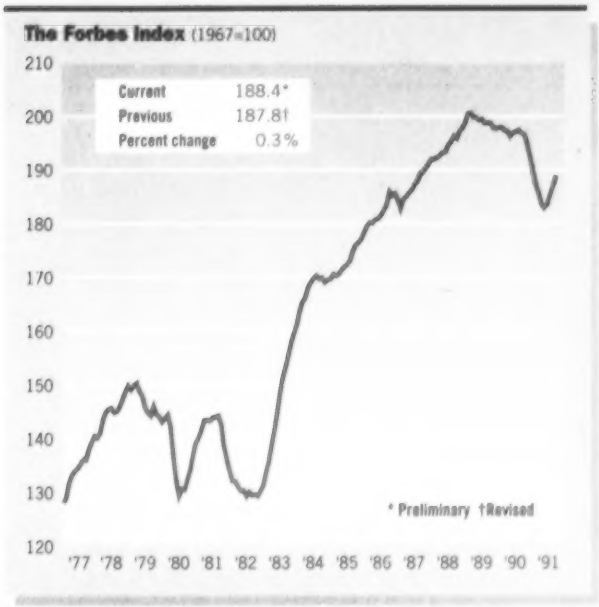
IBM, 8, 117, 118, 150, 158, 178
Igloo Products, 144
InaCom, 158
Intel, 150
Intelligent Electronics, 158
International Data, 118
Isuzu, 54
ITT, 178, 188

December 23, 1991
Volume 148
Number 14
Forbes (ISSN 0015 6914) is published biweekly except weekly during two weeks in October, by Forbes Inc., 60 Fifth Ave., New York, N.Y. 10011. Second-class postage paid at New York, N.Y. and at additional mailing offices. Canadian second-class postage paid, permit number 9490. GST # R125769513. Subscription $52 a year, U.S.A. Postmaster: Send address changes to Forbes, 60 Fifth Ave., New York, N.Y. 10011.

Copyright © 1991 Forbes Inc. Title is protected through a trademark registration in the U.S. Patent Office.

THE FORBES INDEX

BY TIMOTHY DODMAN



With mounting layoffs and another rise in initial unemployment claims, wages and salaries fell 0.2% in October. Transfer payments (i.e., Social Security and unemployment insurance) made up over 16% of total personal income in October, a level unmatched in recent history. But there were a few positive economic signs. For the first time in 20 months, housing starts came in higher than for the same month last year. New orders for durable goods increased 3% from September to October, but they're still 5.4% below October 1990.

Other key rates	Source	Status
Prime rate	Chase Manhattan Bank	7.5%
Auto sales year to date vs 1990[1]	Ward's Automotive	-11.9%
Index of leading indicators Sept vs Aug	Dept of Commerce	-0.1%
Trade balance 12 months ended Sept 1991	Dept of Commerce	-$75 bil
All-commodity producer price index Oct vs Sept[2]	Dept of Labor	0.3%
GNP 3rd quarter vs. 2nd—annualized growth	Dept of Commerce	2.4%
M2 (3-month change)—annualized growth[3]	Federal Reserve	0.2%

[1] U.S.-based manufacturers, excludes imports, as of 11/20/91. [2] Wholesale goods. [3] Includes M1 (public currency and checking deposits) plus savings accounts and money market funds.

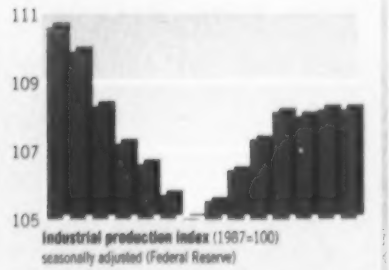
Index components

The Forbes Index is a measure of U.S. economic activity composed of 8 equally weighted elements: Total industrial production, new claims for unemployment compensation, the cost of services relative to all consumer prices, new housing starts, total retail sales, the level of new orders for durable goods compared with manufacturers' inventories, personal income, total consumer installment credit.

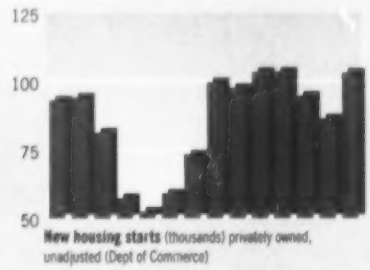
To measure these 8 elements, FORBES monitors 10 series of U.S. government data. The last 14 months' data for each series are presented below.

Consumer price indexes (1982-84 average=100) all urban consumers, unadjusted (Dept of Labor)

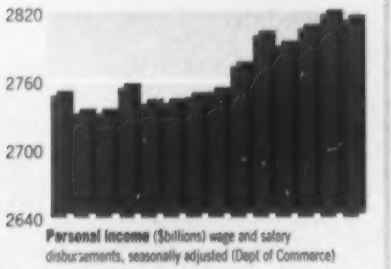
Manufacturers' new orders and inventories ($billions), seasonally adjusted (Dept of Commerce)



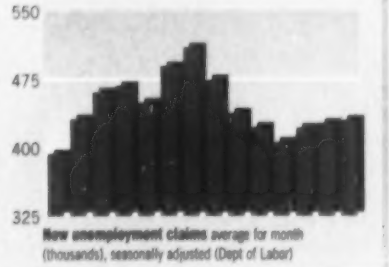
Industrial production index (1987=100) seasonally adjusted (Federal Reserve)



New housing starts (thousands) privately owned, unadjusted (Dept of Commerce)



Personal income ($billions) wage and salary disbursements, seasonally adjusted (Dept of Commerce)



New unemployment claims average for month (thousands), seasonally adjusted (Dept of Labor)

Retail sales ($billions), seasonally adjusted (Dept of Commerce)

Consumer installment credit ($billions) total, seasonally adjusted (Federal Reserve)

S O N D J F M A M J J A S O S O N D J F M A M J J A S O S O N D J F M A M J J A S O

Despite the width and depth of the housing slump, Oakwood Homes and Clayton Homes are doing well.

Standing out

By Edward Giltenan

MOBILE HOMES have come a long way from the familiar rickety boxes that were rolled out of factories, perched precariously on cinder blocks and decorated with pink flamingos. Nowadays, it's getting much harder to tell the difference between sturdy "manufactured houses" and on-the-site construction.

But the recession has spared neither. Some 170,000 mobile homes will be sold this year, down from 295,000 just eight years ago. There are now 90 mobile-home builders. A decade ago there were about 250.

Despite this, Oakwood Homes Corp. of Greensboro, N.C. and Clayton Homes, Inc. of Knoxville, Tenn. are doing well this year. Since a rash of repossessions forced it to close its Texas operations in 1987, ending 11 consecutive years of improving earnings, Oakwood has made an impressive comeback. From just $400,000 in 1987, Oakwood's earnings have climbed to nearly $9 million—$1.06 a share on a fully diluted basis—in the year ended Sept. 30. At a recent 14¼, Oakwood's NYSE-listed shares have doubled in the last year.

By contrast, Clayton Homes is a paragon of consistency. Run for the last 25 years by Chairman James Clayton, the company has reported rising earnings for the last 11 years, earning $29 million on sales of $320 million in the year ended in June. Clayton's unit sales are up 12% in the first three quarters of this year. In the last year, Clayton's NYSE shares have nearly doubled, to a recent $17.

As practiced by Oakwood and Clayton, manufactured housing has a lot going for it. Although top-of-the-line models are of high quality, manufactured homes sell chiefly on price. Thus they tend to compete with rental apartments as housing.

With rents now creeping up, mobile-home payments have become competitive with renting. Mobile homes are still the cheapest type of single-family home ownership: excluding land cost, $20,000 will buy a decent 1,000-square-foot, two-bedroom mobile home; $35,000 will buy a 1,500-square-foot, three-bedroom model. Similar site-built houses could easily cost up to twice as much. A major reason is that mobile-home makers have used nonunion, relatively unskilled labor. And they are generally free from the vagaries of weather.

It's also easier to finance a mobile home than it used to be. Until fairly recently, the buyer had to purchase the mobile home and then buy or lease land to put it on—two separate transactions. This financing is done through chattel mortgages, which treat the mobile home not as real estate but as a piece of personal property, much like a car. Terms on these chattel mortgages range from 7 to 15 years, with rates of 12½% and more. For many potential buyers, these onerous terms washed out the advantages of low sticker prices.

But they have an alternative. The Federal National Mortgage Association purchases and securitizes increasingly popular 30-year residential mortgages on mobile homes as long as the house and land are permanently attached and sold in one transaction. This way, the payment on a $65,000

Standard mobile home on rental lot

Wave of the past?

New factory-built house; starting price $55,000, including land **Bigger, less mobile and easier to finance, they're becoming an alternative to renting.**

package of mobile home and land works out to around $500 a month—an attractive alternative to renting.

Meanwhile, in order to overcome the prejudice many communities have against trailer parks, the mobile home builders have been building more so-called multisectional homes, called double-wides in the trade. These are essentially houses split down the middle for easy highway transportation and are bigger, more expensive and less mobile than the traditional single-section variety. The builders then package these multisectionals with title to the ground they will sit on and build a permanent foundation.

Fannie Mae's willingness to purchase mobile home mortgages opened the way for big mortgage lenders like Sears Mortgage, GMAC and Weyerhaeuser Mortgage to make conventional mortgage loans on manufactured homes. "Many lenders have a very healthy appetite for the multisectional home because so many of their applicants can't qualify for site-built, starter homes," says Clayton Homes' James Clayton. Currently, half the industry's unit shipments are multisectional homes, up from about 30% five years ago.

Quite clearly, mobile-home building and conventional building are becoming more and more alike—mass builders of conventional homes use many of the same assembly-line techniques mobile-home builders use. A successful mobile-home builder today must offer fully integrated service, from building and selling the homes to arranging financing for customers and servicing the loans. The financing is especially important. Because they are highly integrated, Oakwood and Clayton are bucking the downtrend in home building.

Oakwood Chief Executive Nicholas St. George says he is aggressively expanding in multisectional homes. But Oakwood's greatest strength is its financing arm, which St. George got off the ground six years ago. With it, Oakwood can now originate loans for its customers, package the loans and sell them to banks, insurance companies or, in the case of loans qualifying for conventional home mortgages, to Fannie Mae. This keeps Oakwood's factories humming and makes money for the company. Oakwood's finance subsidiary now accounts for 45% of the company's operating earnings. Thus far this year, Oakwood's unit sales are up 11%, against the industry's 10% decline.

Loan defaults? Over the last five years Clayton's and Oakwood's net losses have averaged less than 1% on total loans outstanding—although, as the recent rash of bank credit card defaults should remind everyone, loans on anything can sour very quickly.

Another big player is Fleetwood Enterprises, based in Riverside, Calif. The big maker of recreational vehicles sold $567 million worth of mobile homes last year, 40% of its revenues, ranking it first in the business. But Fleetwood has no retail network and no in-house financing capability, and it won't anytime soon.

Manufactured housing has a lot going for it in today's relatively austere economy, but only the strongest players will prosper.

A couple of standouts

Company	Recent price	52-week high	52-week low	Price/ earnings	Latest 12 months sales ($million)	Latest 12 months earnings ($million)	Latest 12 months EPS	Dividend yield	Net margin	Debt/ equity
Cavalier Homes	2¾	4¼	2⅜	34.4	$66	$0.20	$0.08	2.9%	0.3%	0.07
Champion Enterprises	3¼	5⅞	2⅝	NM	274	–0.20	–0.03	0.0	NM	0.22
Clayton Homes	17	23¼	10⁹⁄₁₆	13.2	334	31.1	1.29	0.0	9.3	1.13
Fleetwood Enterprises	32⅞	36¾	16¼	23.2	1,410	31.6	1.42	2.7	2.2	0.00
Liberty Homes*	5⅛	5¾	4	NM	53	–1.6	–0.34	4.7	NM	0.00
Oakwood Homes	14¼	16½	7¼	12.3	126	7.7	1.16	0.6	6.1	3.28
Schult Homes	5⅛	7⅛	3	5.2	161	3.6	0.98	0.0	2.2	0.39
Skyline Corp	14½	18¼	13½	35.4	313	4.5	0.41	3.3	1.4	0.00

*Class A shares. NM: Not meaningful. *Source: Media General via Lotus One Source.*

In the last year, margins among the mobile-home builders have been poor to awful, except for Clayton and Oakwood. Note, however, that both are also highly leveraged and run the risk of defaults on the mortgages they write for their customers.

THE FORBES/BARRA WALL STREET REVIEW

BY ERIC S. HARDY

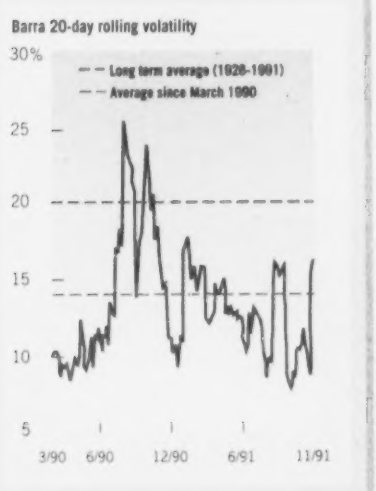
It is hard to find anyone who is more pessimistic about the stock market than Walter E. Stone, editor of *Long-Term Technical Trends*, a monthly newsletter. "We are in a bear market rally, not a bull rally," says Stone. "The Dow is down 100 points from where it was in April, and almost every Wall Street strategist is fully invested and advising us to buy based on weakness of the market." Stone thinks the consensus is dead wrong. He says the country is in the midst of the biggest credit-bubble collapse in history.

How bad could it get? Pretty bad, says Stone. He thinks the Dow could fall to 1200 by mid-1994. He recommends that investors put 95% of their money into Treasury bills or money market funds that are limited to U.S. government securities, and put the remaining 5% into gold-related assets.

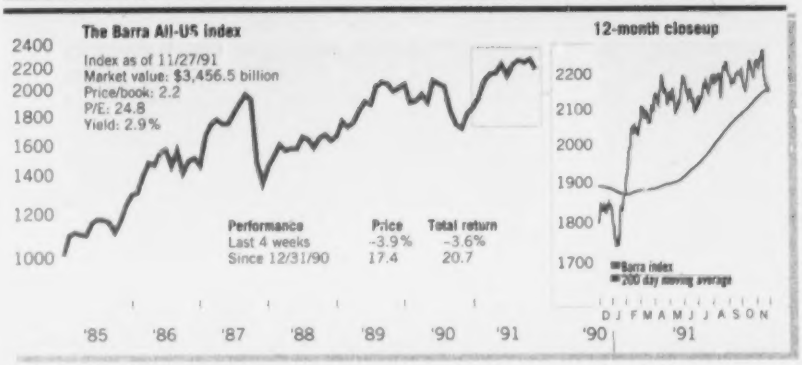
During the last two weeks the sky didn't fall. But the Barra All-US index of 5,000 stocks fell 5.4%.

Special focus

Despite what you might think after seeing the huge up-and-down moves in the market, Wall Street is calmer than ever. Stock market volatility over the past year and a half has run about 14%, well below the 20% long-term average. Barra calculates volatility by taking the standard deviation of market moves over 20 trading days.



The overall market



Closeup on the market

Index or investment	2-week change	% change from 1 year	% change from 5-year high
Barra All-US index	-5.4%	21.6%	-5.4%
Sharpe/Barra Growth index[1]	-4.3	27.1	-4.4
Sharpe/Barra Value index[2]	-6.0	17.1	-6.0
Dow Jones industrials	-5.4	14.4	-5.8
S&P 500	-5.2	18.4	-5.2
NYSE	-5.1	19.7	-5.1
Nasdaq	-6.0	47.2	-6.0
Amex	-5.6	23.8	-5.7
EAFE[3]	-4.1	4.6	-20.7
CRB index[4,5]	0.5	-4.6	-20.9
Gold[5]	3.2	-4.7	-26.8
Yen[5]	0.1	-0.5	-20.8
Oil[5]	-4.5	-31.4	-48.1

The best and worst performing stocks[6]

Best	Price	2-week change	1991 EPS[7]	Worst	Price	2-week change	1991 EPS[7]
Sanford	36 1/8	44%	$1.58	Biomatrix	13 1/4	-46%	NA
Bridgford Foods	27 1/4	28	0.72	Xytronyx	15 1/4	-46	NA
US Bioscience	60	28	-0.40	Alkermes	11 1/2	-41	$-1.07
Pinnacle West Capital	15 7/8	20	1.16	American Dental Laser	9 1/4	-39	0.60
Granite Construction	23 3/4	17	1.77	RasterOps	10 3/4	-39	1.32*

The best and worst performing industry factors[6,8]

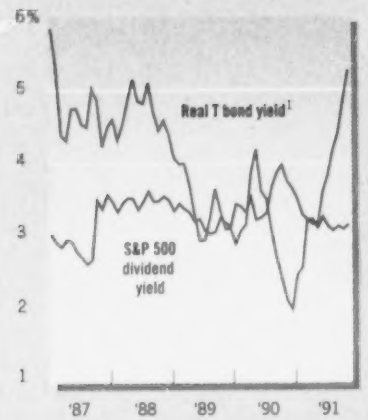
Best	2-week change	Since 12/31/90	Worst	2-week change	Since 12/31/90
Precious metals	6.9%	-12.9%	Oilfield services	-11.5%	-11.7%
Beverages	3.3	14.0	Railroads	-10.9	43.3
Electric utilities	0.6	27.6	Trucking	-10.2	17.3
Air transport	-1.	8.9	Containers	-10.1	21.6
Tire & rubber	-1.4	54.7	Construction	-9.2	-3.6

Note: Data for period ending 11/27/91. The Barra All-US index consists of all publicly traded common stocks for which price quotations are available and ordinary shares of foreign stocks trading on U.S. markets. ADRs, REITs and closed-end funds are excluded. [1] Total return of a portfolio of more than 150 large-capitalization stocks that has high historical earnings growth and has predicted above average earnings growth. [2] Total return of more than 300 large-capitalization stocks characterized by low price-to-book ratios, high yields and low price-to-earnings ratios. [3] A dollar-denominated capitalization-weighted index of more than 1,000 stocks from Europe, Australia, New Zealand and the Far East. Source: Morgan Stanley Capital International Perspective. [4] Index of 21 commodity futures. [5] Knight-Ridder Financial Information. [6] During the last two weeks. [7] Estimate. Source: Institutional Brokers Estimate System, from IBES, Inc. [8] Shows return to the industry factor after controlling for other influences including company size, value and growth characteristics. Multi-industry firms have proportional contributions in two or more groups. NA: Not available. *1992 estimate. Principal source: Barra, Inc., Berkeley, Calif.

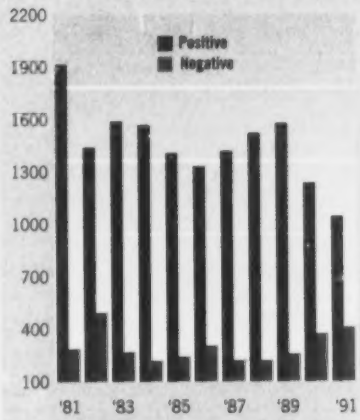
DIVIDENDS REVIEW

BY EVELYN FEIT

Corporate vs. government yields



Corporate dividend revisions



Standard & Poor's reports that in the first ten months of 1991, 368 companies eliminated or reduced dividends, while 879 increased them. For the year, payouts will probably come in just 2% higher than in 1990, not even keeping up with inflation. Over the last 25 years, stock payouts on average have kept up with inflation.

Some companies' dividends are rising much faster than the cost of living. Wal-Mart Stores, for instance, raised its dividend in March and is likely to raise it annually by 20% over the next several years, says Daniel Barry, a retailing analyst at Kidder, Peabody. Wal-Mart, though, has a low yield: 0.3% versus 3.2% for the S&P 500.

All the members of the "Solid dividends" table *(lower left)* have raised their dividends in each of the past ten years, have aftertax cash flow of more than 15% of debt and payout ratios under 50% of aftertax cash flow. By contrast, the ten companies with shaky dividends are all paying out cash faster than it is coming in.

The top left chart compares bond yields, net of the inflation premium built into them, with stock yields. (Dividends, after all, are supposed to keep up with inflation, while bond coupons don't.) Here's hoping 1991 turns out to be an aberration.

Representative industry yields

Industry	Yield	Payout ratio [2]	P/E	Industry	Yield	Payout ratio [2]	P/E
Automotive	5.5%	NM	NM	Electrical equip	3.3%	45%	14
Banking	3.7	41%	20	Household prods	2.5	54	17
Basic chemicals	4.4	54	14	Petroleum	5.0	96	13
Pharmaceuticals	2.3	44	24	Retail	1.9	40	21
Electric utilities	6.4	92	15	Telecommunications	4.8	77	20

Solid dividends

Company	Price	Indicated rate	Yield	Paycut ratio	Dividend growth [3]
Abbott Laboratories	58¼	$1.00	1.7%	41%	19%
Albertson's	34	0.56	1.6	30	20
American Brands	39¼	1.75	4.5	61	8
Coca-Cola	70½	0.96	1.4	41	10
General Mills	66	1.48	2.2	50	18
Johnson & Johnson	94	1.60	1.7	38	17
Eli Lilly	74⅛	2.00	2.7	46	15
Merck	143¼	2.52	1.8	48	32
Procter & Gamble	81⅜	2.00	2.5	41	8
Wal-Mart Stores	48⅝	0.17	0.3	13	31

Doubtful dividends

Company	Price	Indicated rate	Yield	Trailing EPS
Affiliated Publications	8⅛	$0.24	3.0%	$0.11
Bethlehem Steel	11⅞	0.40	3.4	-8.85
Boise Cascade	22¼	1.52	6.8	-1.91
Chrysler	11¾	0.60	5.1	-2.69
Cincinnati Milacron	7½	0.36	4.8	-1.56
Core Industries	6⅛	0.48	7.8	0.17
Federal-Mogul	14¾	0.92	6.2	-0.26
Hartmarx	7⅜	0.60	8.1	-1.29
Pennzoil	58¾	3.00	5.1	2.42
Stone Container	19¾	0.72	3.6	-0.04

Note: All data, except where footnoted, as of 11/26/91. [1]Yield on 30-year Treasurys adjusted for inflation using the trailing 12 months' increase in the Consumer Price Index. [2]Capitalization-weighted. Dividends divided by net income; all extraordinary items are excluded. [3]Five-year growth rate. NM: Not meaningful. Sources: Media General, Value Line, via Lotus One Source; Standard & Poor's.